

Council Directive 2006/112/EC of 28 November
2006 on the common system of value added tax

TITLE VIII

RATES

CHAPTER 2

Structure and level of rates

Section 2

Reduced rates

Article 98

- 1 Member States may apply either one or two reduced rates.
- 2 The reduced rates shall apply only to supplies of goods or services in the categories set out in Annex III.
[^{F1}The reduced rates shall not apply to electronically supplied services with the exception of those falling under point (6) of Annex III.]
- 3 When applying the reduced rates provided for in paragraph 1 to categories of goods, Member States may use the Combined Nomenclature to establish the precise coverage of the category concerned.

Textual Amendments

- F1** Substituted by [Council Directive \(EU\) 2018/1713 of 6 November 2018 amending Directive 2006/112/EC as regards rates of value added tax applied to books, newspapers and periodicals.](#)